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"To enrich lives through effective and caring service"

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December 17, 2012

To: Supervisor Zev Yaroslavsky, Chair
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: Tom Tindall
Director

A handwritten signature in dark ink, appearing to read "Tom Tindall", is written over the printed name.

Subject: **ENERGY UPGRADE CALIFORNIA – LOS ANGELES COUNTY
STATUS REPORT (RESPONSE TO ITEM 15, AGENDA OF
MARCH 6, 2012)**

On March 6, 2012, your Board, on motion of Supervisor Yaroslavsky, instructed the Chief Executive Office (CEO) and the Director of the Internal Services Department (ISD) to:

1. Maintain data, which shall be updated as often as feasible but no less than once per month, showing the number of participants within each component subprogram of Energy Upgrade California – Los Angeles County (EUCLA), including data showing the number of participants who have, within each subprogram: (a) applied for participation in each of the respective sub-programs, (b) received approval of their application, (c) begun physical improvements of their home / commercial location (where applicable), (d) completed physical improvements (where applicable), and (e) received rebate checks or otherwise successfully finished their participation in the program;
2. Establish goals for the number of total participants over the life of the program for EUCLA overall and within each subprogram;
3. Establish benchmarks by month for EUCLA overall and within each subprogram by which the progress of the total program and each subprogram shall be measured;

4. Maintain a narrative description, which shall be made available to the Board of Supervisors no less than once per month, of the steps taken to improve performance of EUCLA overall and for any subprogram in any month in which the benchmarks established in #3 are not met for EUCLA overall and for each subprogram, potentially including, as the CEO and Director of ISD deem appropriate, a reallocation of resources from underperforming subprograms to subprograms that are meeting or exceeding benchmarks.

This memorandum provides the eighth status report on the EUCLA program, updated through October 2012. Attachment I provides graphics and narratives illustrating status for the Advanced, Basic, and FlexPath subprograms of EUCLA. Additional graphics and narratives show goals and monthly benchmarks to measure progress as well as program changes, lessons learned, and program revisions to increase program participation and/or reallocate resources.

On October 9, 2012, the County announced an end date for the FlexPath program and provided procedures for submittal of projects. The budget allocated for FlexPath was intended to supply incentives to 1500 projects and the budget has since been increased to allow for a total of 1650 projects. As projects continue to complete construction, ISD will finalize a count of matching incentives and the budget to cover these projects.

As described in previous reports to your Board, ISD has been actively working with the utilities and the California Public Utilities Commission (PUC) to continue successful, ARRA-originated programs. On November 8, 2012, the PUC issued its final Decision Approving 2013-2014 Energy Efficiency Programs and Budgets. In the Decision, funding was approved for Los Angeles County to continue its role in a variety of programs including: Flex Path, EUCLA marketing and outreach, workforce development, and financing. ISD will brief your Board deputies and seek approval to accept the funds in the near future. We look forward to continuing these programs in early 2013.

This is ISD's final report on EUCLA program accomplishments. We will continue regular reporting of these programs under CPUC funding to your Board on a quarterly basis beginning in March 2013.

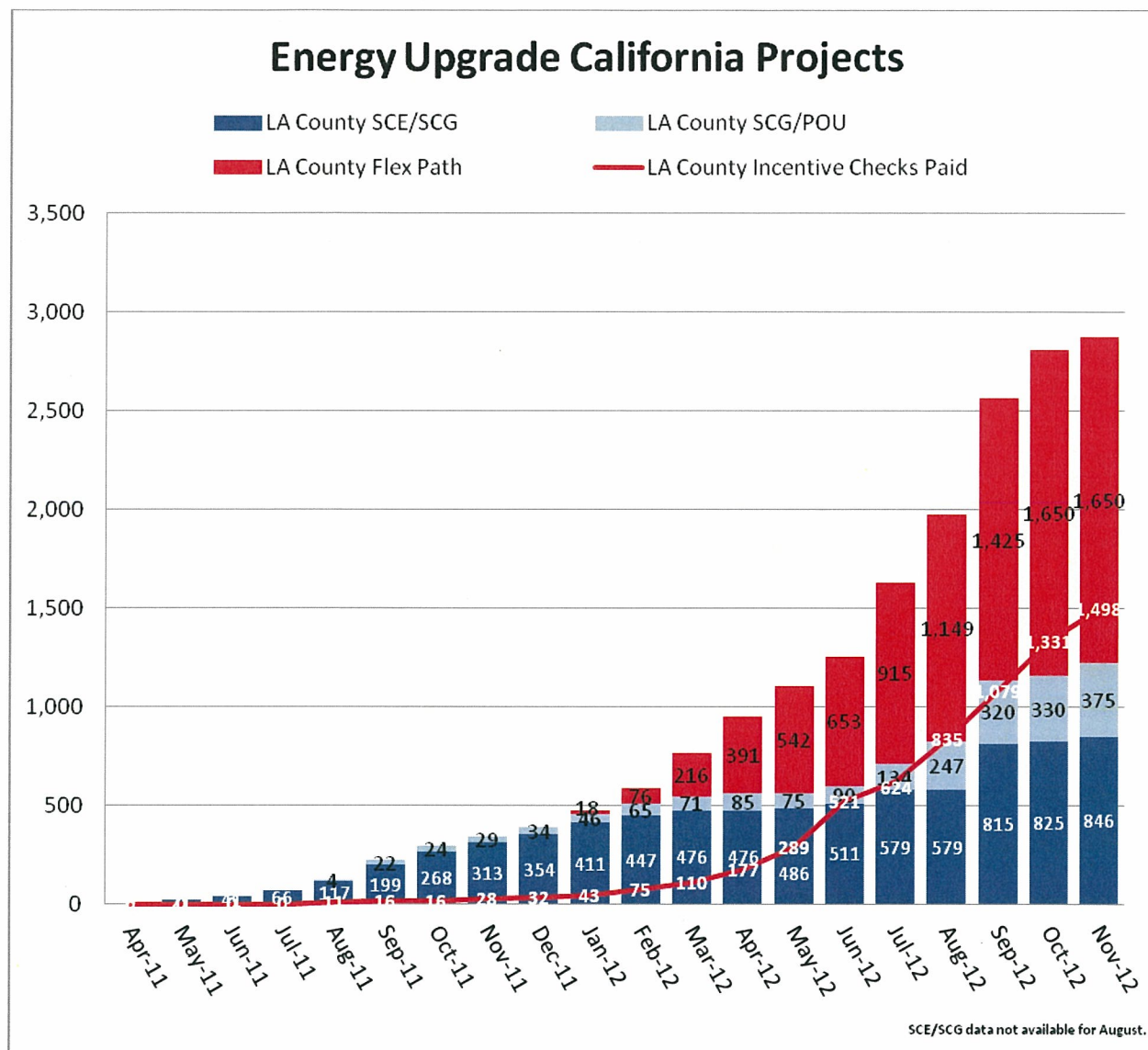
If you have any questions, please contact me at 323-267-2101.

TT:JJ:HC:LR

c: ISD Board deputies
Chief Executive Office (Fujioka, Sandt)
Executive Officer, Board of Supervisors

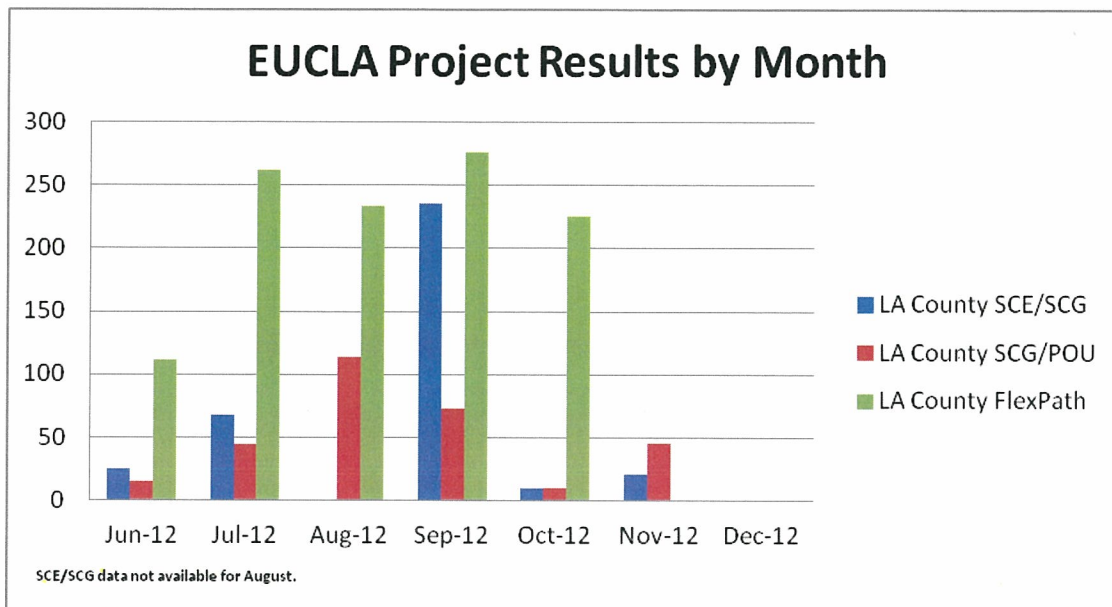
Monthly EUCLA Graphics/Narrative – Through December 1, 2012

The following are status charts and supporting narrative, summarizing significant program accomplishments for the month of November 2012 for the Energy Upgrade California in Los Angeles County (EUCLA) program and its subprograms.

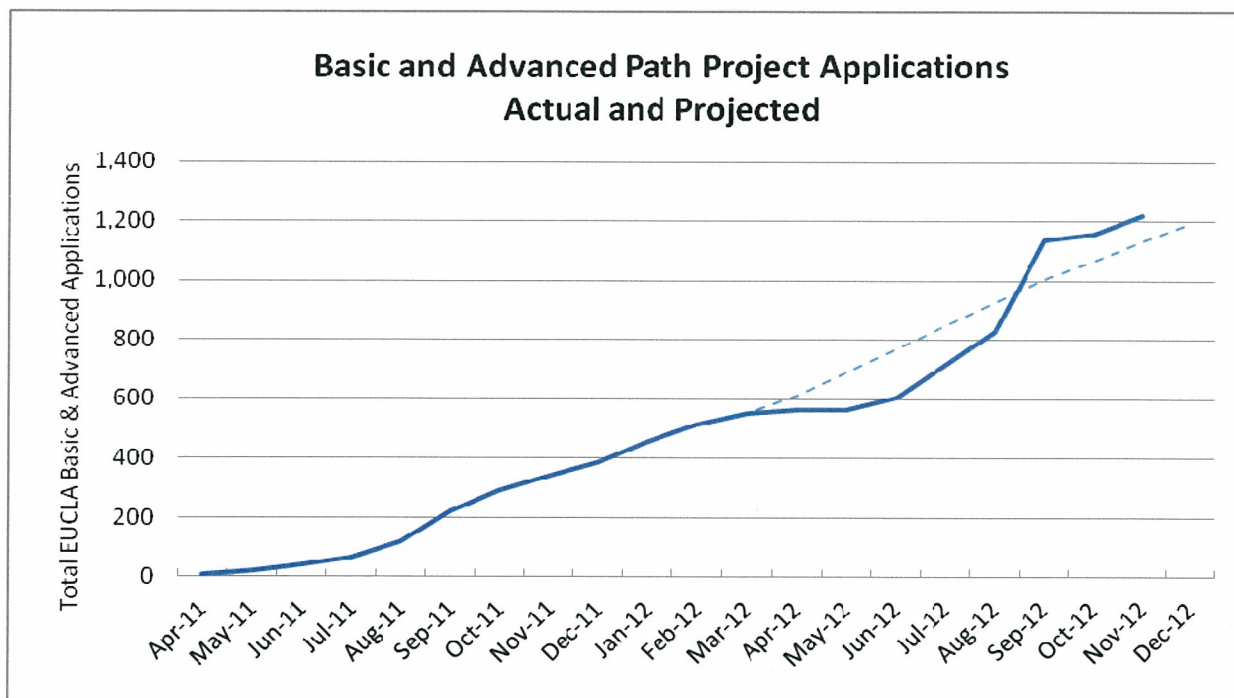


On August 29, EUCLA announced that the L.A. County matching incentive for Basic and Advanced path projects would be ending on September 28, 2012. This announcement was necessitated by the pending exhaustion of grant funds budgeted for these incentives. Notification was distributed through all possible means to inform both contractors and homeowners of this upcoming deadline for project submittals. The graphic below summarizes new projects submitted in recent months. The announcement of the ending of L.A. County matching incentives caused an increase in project submittals and resulted in a subsequent decrease after the deadline for matching incentives passed.

Monthly EUCLA Graphics/Narrative – Through December 1, 2012

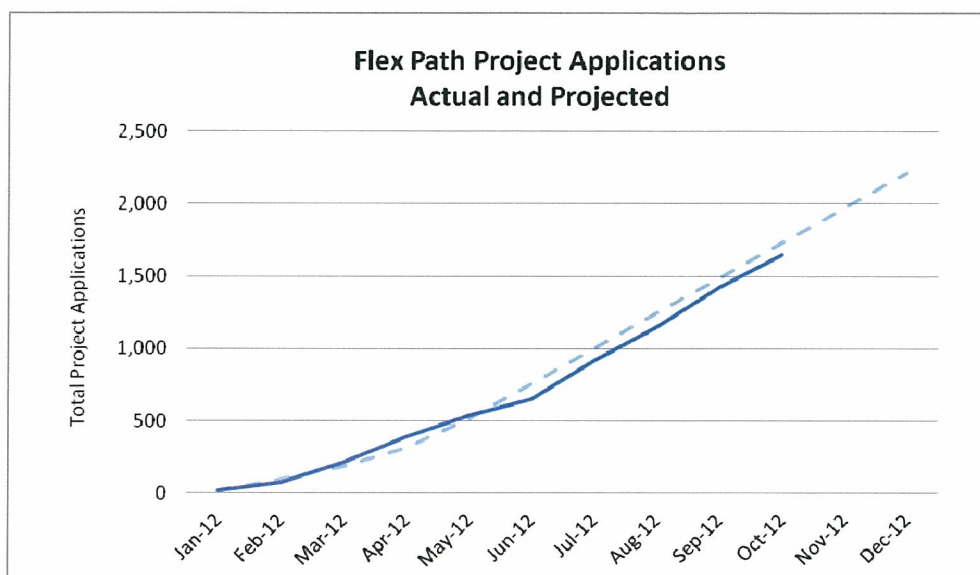


Below is the cumulative total of all Basic and Advanced path project applications that have been submitted to date (not including FlexPath).

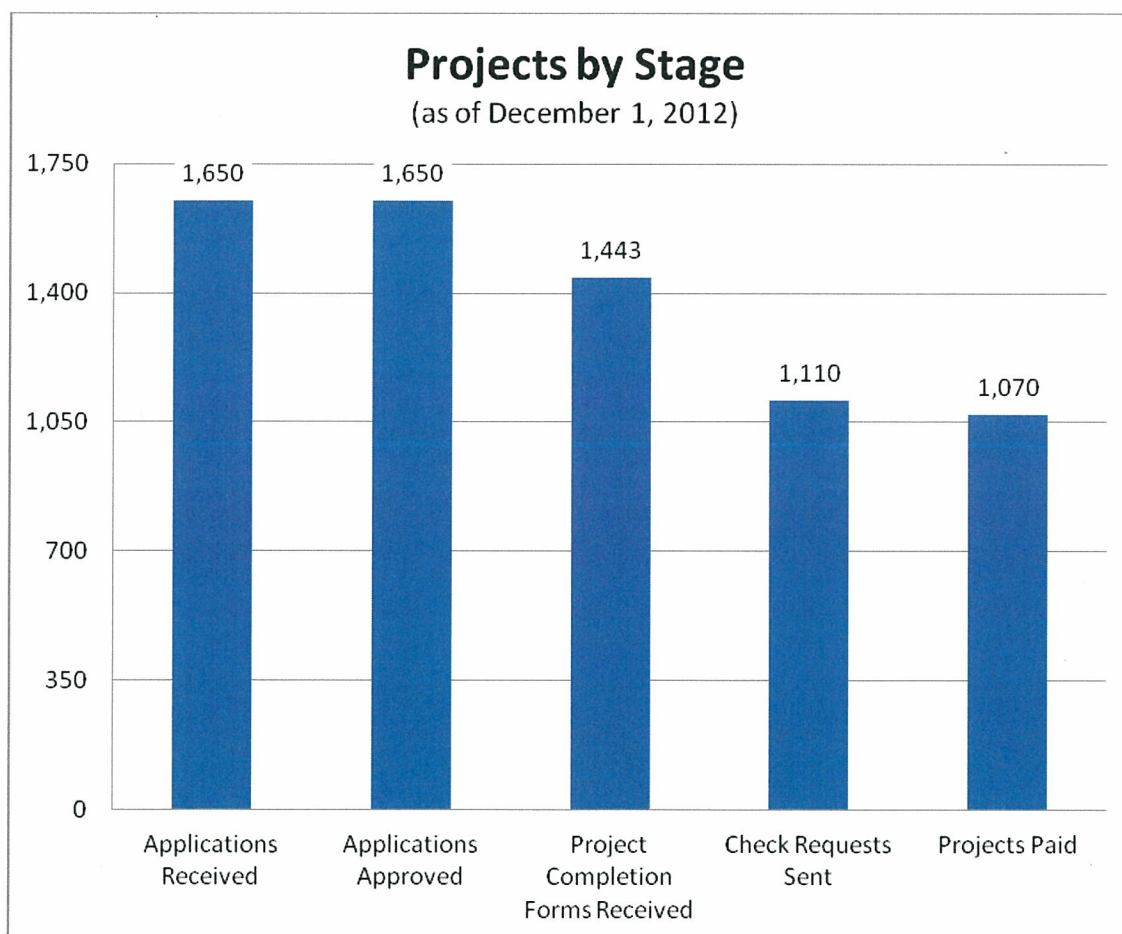


On October 9, EUCLA announced that the FlexPath program would close to new applications on October 19, 2012. The program will resume taking applications early next year utilizing PUC funding allocated for FlexPath implementation. The chart below represents cumulative FlexPath project applications submitted through the close of the program. The waitlist was closed when 1650 projects had been submitted.

Monthly EUCLA Graphics/Narrative – Through December 1, 2012

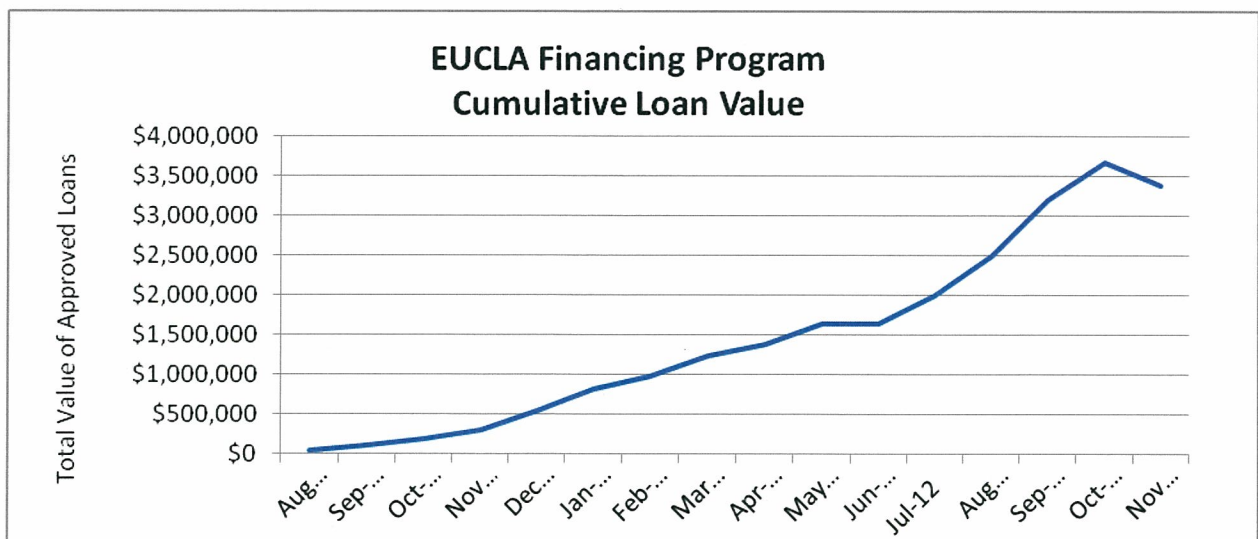
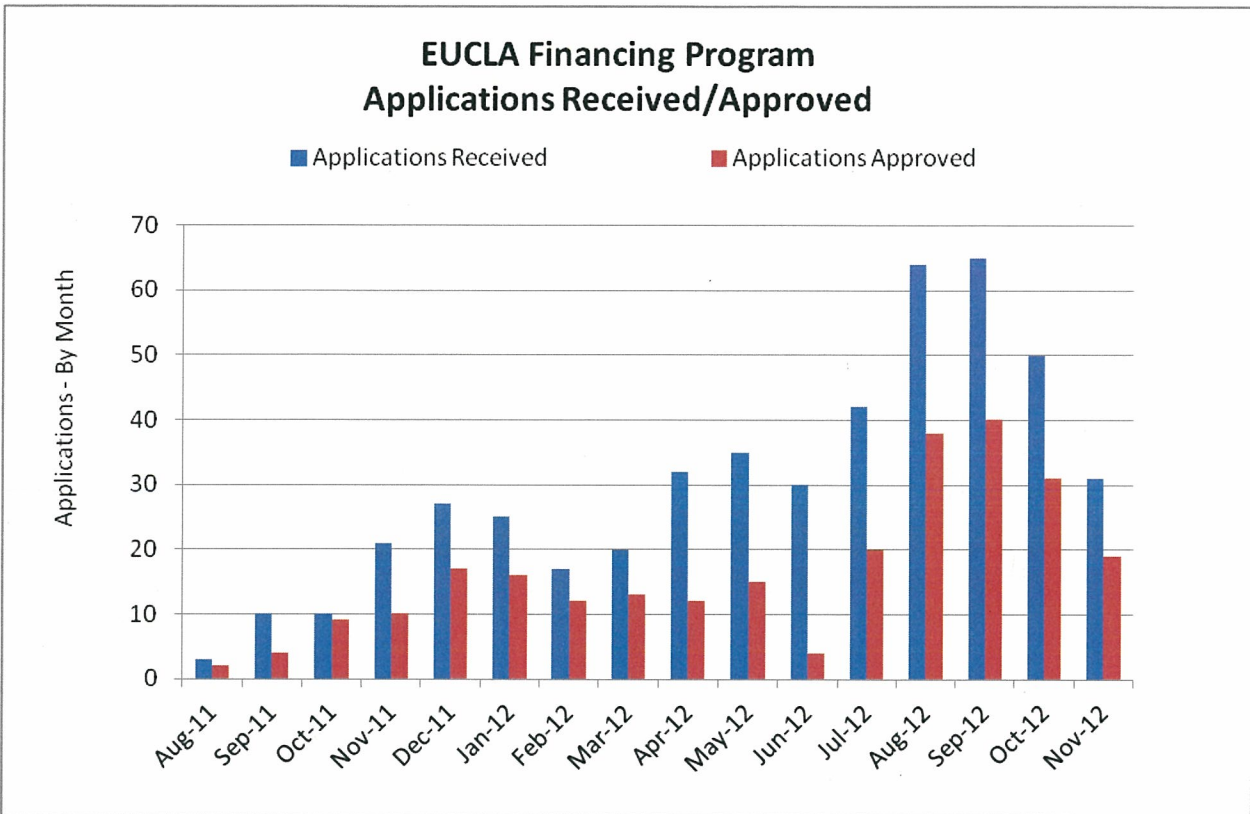


The following chart shows project numbers for specific milestones in the FlexPath project process.

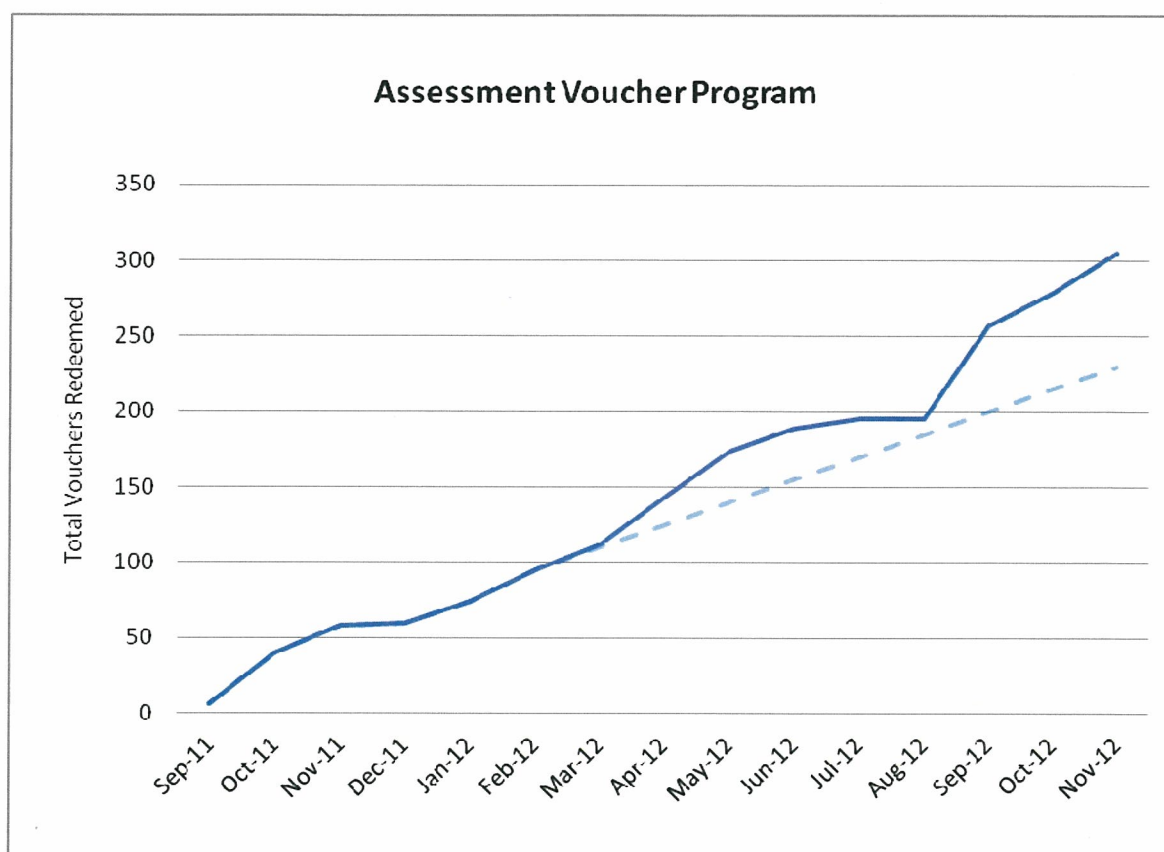


Monthly EUCLA Graphics/Narrative – Through December 1, 2012

As shown in the financing program charts below, applications for financing are still being received at a regular pace. The total program funded loan amount dipped slightly as some loans didn't close within the 90 day approval period and were in turn replaced with loans that were slightly smaller in value.

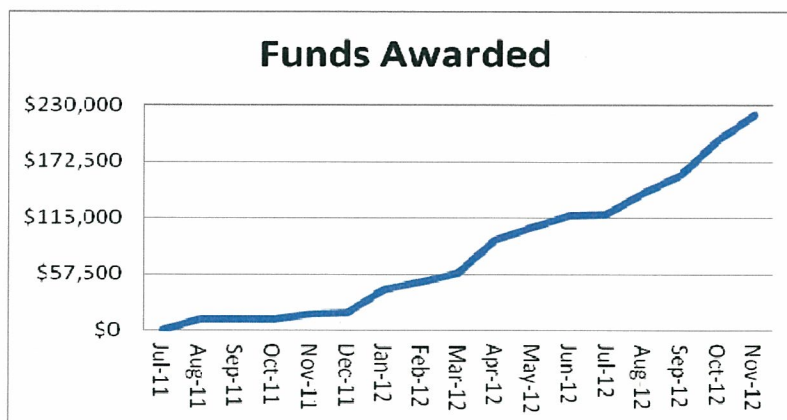


Monthly EUCLA Graphics/Narrative – Through December 1, 2012



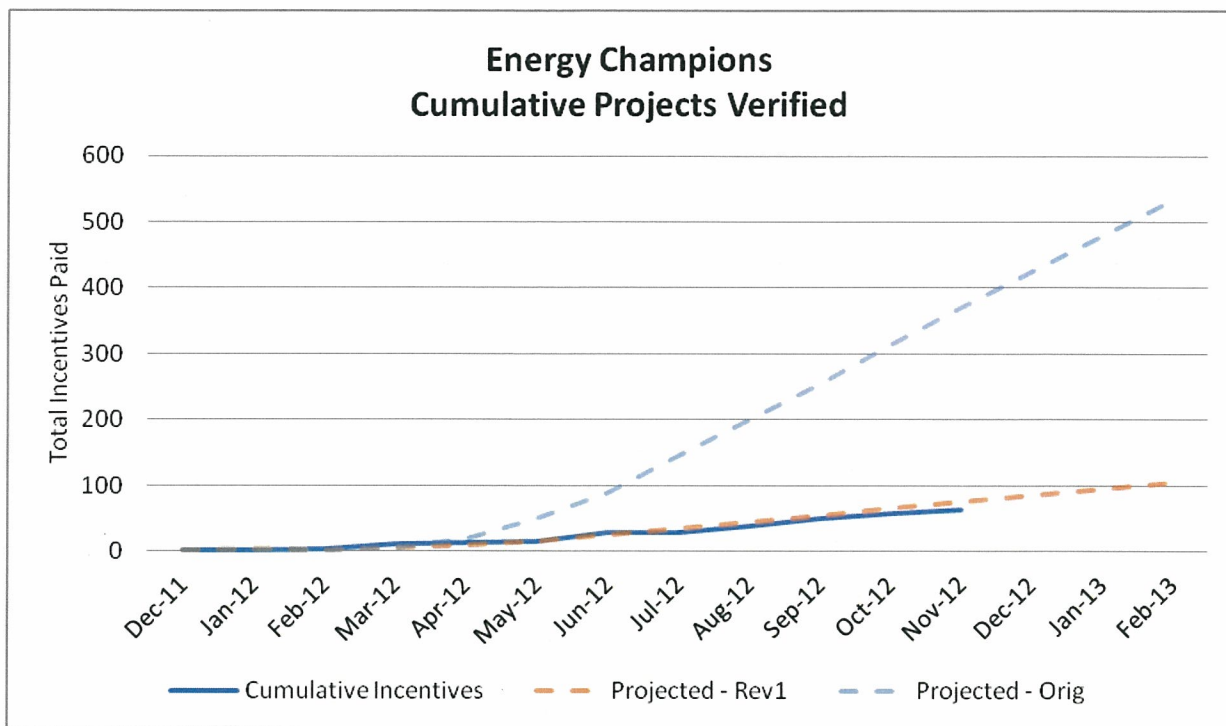
The graphic above shows a cumulative total of assessment vouchers, which have been redeemed by homeowners to mitigate the initial cost of an energy efficiency assessment. In the month of November 2012, 26 assessment vouchers were submitted.

Following the recent announcement of the end of the L.A. County matching incentives and because of the uncertainty associated with future EUCLA program design, contractors have slowed their investments in marketing and outreach materials via the Co-op Marketing Program. The following graphic represents the total matching funds awarded to date.

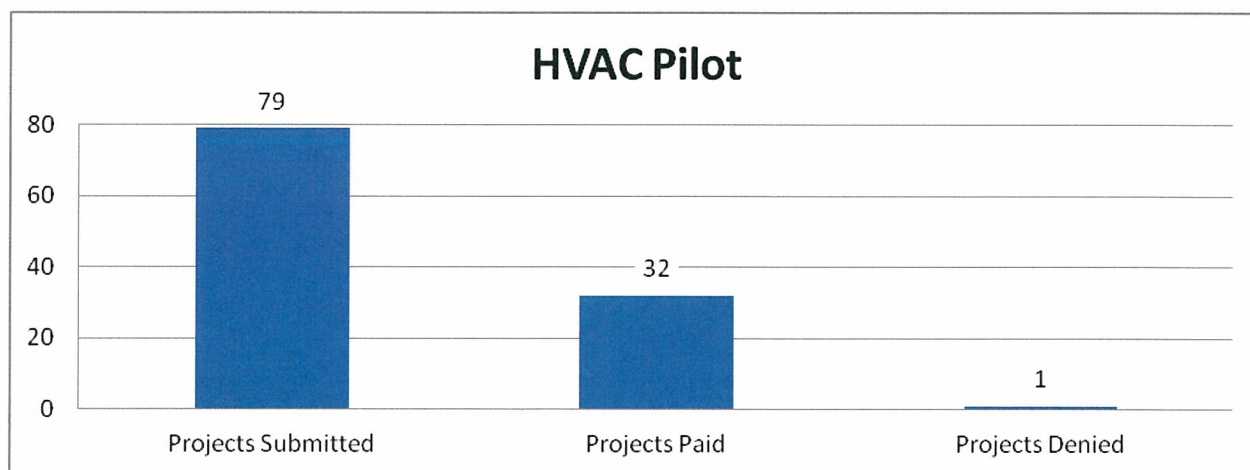


Monthly EUCLA Graphics/Narrative – Through December 1, 2012

The Energy Champions program got off to a slow start, and experienced various setbacks, but the month of November shows a continued steady trend. Energy Champions have now submitted a total of 174 project applications and 44 incentives have been paid.



(Revisions have been made to the Energy Champions program, and this chart has been revised to reflect an adjusted projection for total projects).



The Heating, Ventilation, Air Conditioning (HVAC) pilot program provides training and incentives to encourage existing HVAC contractors to expand their business to include whole-house energy efficiency retrofit work. A total of 79 projects have been submitted for approval into the HVAC pilot program, 15 in the month of November.

Monthly EUCLA Graphics/Narrative – Through December 1, 2012

Multifamily Pilot - The Multifamily program has a total of 14 active projects, consisting of more than 1100 residential units, that are now in various stages of planning/design for recommended efficiency measures, or in some cases, currently undergoing retrofits. Current projections show that roughly 92% of available incentive budget of \$950,000 will be expended for incentives to these offset the cost of these projects.